

**BRUNSWICK COUNTY BOARD OF COMMISSIONERS
OFFICIAL MINUTES
REGULAR MEETING
SEPTEMBER 5, 2006
6:30 P.M.**

The Brunswick County Board of Commissioners met in Regular Session on the above date at 6:30 p.m., Commissioners' Chambers, Central Services Building, County Government Center, Bolivia, North Carolina.

PRESENT: Commissioner David Sandifer, Chairman
Commissioner Phil Norris, Vice-Chairman
Commissioner May Moore
Commissioner Tom B. Rabon, Sr.
Commissioner William M. Sue

STAFF: Marty K. Lawing, County Manager
Steve Stone, Assistant County Manager
Huey Marshall, County Attorney
Jana Berg, Assistant County Attorney
Debby Gore, Clerk to the Board
Ann Hardy, Fiscal Operations Director

Sergeant Mark Trull

I. CALL TO ORDER

Chairman Sandifer called the meeting to order at 6:30 p.m.

II. INVOCATION/PLEDGE OF ALLEGIANCE

Commissioner Sue gave the Invocation and led the Pledge of Allegiance.

III. ADJUSTMENTS/APPROVAL OF AGENDA

Chairman Sandifer asked if there were any adjustments to the agenda. The following adjustments were made:

1. The County Manager requested to add as Item VIII-10, an Agreement with the Town of Calabash for Building Inspection Services.
2. The County Manager requested to add as Item V-D, appointment of Commissioner Sue as the Voting Delegate for the 2006 North Carolina Association of County Commissioners Annual Conference.

Commissioner Moore moved to approve the agenda as amended. The vote of approval was unanimous.

IV. PUBLIC COMMENTS

Chairman Sandifer asked if there was anyone in the audience who wished to speak regarding any item on the agenda or any matter that was not included in the agenda. There were no comments from the audience.

V. APPROVAL OF CONSENT AGENDA

Commissioner Sue moved to approve the Consent Agenda. The vote of approval was unanimous. The following items were approved:

A. Minutes

- 1) August 21, 2006 Regular Meeting Minutes

B. Finance

- 1) General Fund Amendment 29-Increase \$1,471,224

General Fund Amendment 30-Increase \$26,485

Purchase orders for goods budgeted and ordered prior to June 30, 2006 but not received as of the year ending June 30, 2006 totaled \$1,497,709. The funds accumulated in the General Fund balance at the end of the year. Staff recommends that the funds totaling \$1,497,709 rollover to the 2006/2007 fiscal year and be appropriated in the original budget code along with the purchase order for the goods. This is a bookkeeping adjustment that provides for payment to be made in the year the goods are received.

- 2) General Fund 31-Increase Transfer to Social Services \$430, Transfer to Health \$79,489

Social Services Fund Amendment 4-Increase \$430

Health Fund Amendment 5-Increase \$79,489

Purchase orders for goods budgeted and ordered prior to June 30, 2006 but not received as of the year ending June 30, 2006 totaled \$430 in the Social Services Fund and \$79,489 in the Health Fund. The funds accumulated in the General Fund balance at the end of the year in the amount of \$79,919. Staff recommends that the funds totaling \$79,919 rollover to the 2006/2007 fiscal year and be appropriated in the original budget code along with the purchase order for the goods. This is a bookkeeping adjustment that provides for payment to be made in the year the goods are received

- 3) Health Fund Amendment 6-Increase \$300

The Health Department received a grant in the amount of \$300 from the Chapel Hill Training Outreach Project restricted for use in the Child Services Program. Staff recommends the funds be appropriated for special projects in the program.

- 4) Grant Project Fund Amendment 1-Increase \$3,773,893

Grant funds budgeted but unexpended as of the year ending June 30, 2006 totaled \$3,773,893. Staff recommends that the funds totaling \$3,773,893 rollover to the 2006/2007 fiscal year and be appropriated in the original budget code. This is a bookkeeping adjustment.

- 5) Emergency Telephone Service Fund 3-Increase \$7,900

Purchase orders for goods budgeted and ordered prior to June 30, 2006 but not received as of the year ending June 30, 2006 totaled \$7,900. The funds accumulated in the Emergency Telephone Service Fund balance at the end of the year. Staff recommends that the funds totaling \$7,900 rollover to the 2006/2007 fiscal year and be appropriated in the original budget code along with the purchase order for the goods. This is a bookkeeping adjustment that provides for payment to be made in the year the goods are received.

- 6) Water Fund Amendment 3-Increase \$325,605

Purchase orders for goods budgeted and ordered prior to June 30, 2006 but not received as of the year ending June 30, 2006 totaled \$325,605. The funds accumulated in the Water Fund net assets at the end of the year. Staff recommends that the funds totaling \$325,605 rollover to the 2006/2007 fiscal year and be appropriated in the original budget code along with the purchase order for the goods. This is a bookkeeping adjustment that provides for payment to be made in the year the goods are received.

7) Waste Water Fund Amendment 4-Increase \$14,677

Purchase orders for goods budgeted and ordered prior to June 30, 2006 but not received as of the year ending June 30, 2006 totaled \$14,677. The funds accumulated in the Waste Water Fund net assets at the end of the year. Staff recommends that the funds totaling \$14,677 rollover to the 2006/2007 fiscal year and be appropriated in the original budget code along with the purchase order for the goods. This is a bookkeeping adjustment that provides for payment to be made in the year the goods are received.

8) General Fund Amendment 32-Increase \$222,300

Commitments existed at the end of the fiscal year in the tax office for computer equipment and part-time temporary salaries and benefits associated with the new computer system and the revaluation. The tax administrator requests a rollover of the unexpended funds that accumulated into fund balance totaling \$222,300 at June 30, 2006 for appropriation in fiscal year 2006-2007 into the same budget codes. The request is for \$181,300 for capital outlay-data and \$41,000 for temporary salaries and social security benefits

C. Resolution

Staff requests approval of Sky Way Resolution.

RESOLUTION SUPPORTING A REQUEST TO ANALYZE ALL PRACTICAL ALTERNATIVES TO MINIMIZE THE IMPACTS TO THE SNEE FARM STONEY CREEK SUBDIVISIONS

WHEREAS, the Wilmington Bypass and the Cape Fear Skyway are two separate projects that will provide significant benefits to the community and are important to the overall mobility of the region, and the Wilmington Bypass and Cape Fear Skyway are identified as Strategic Highway Corridors on Governor Easley's and the North Carolina Department of Transportation's plan for southeastern North Carolina; and

WHEREAS, the Wilmington Bypass from US 421 to US 17 is funded in the State Transportation Improvement Program for right of way acquisition beginning in fiscal year 2007 and construction beginning in 2009; and

WHEREAS, the Cape Fear Skyway is programmed in the State Transportation Improvement Program for planning and environmental analysis and no funding is currently programmed for this project as it is one of nine potential toll road projects within the state of North Carolina; and

WHEREAS, all the parties recognize that there may be an impact to the human environment for residents living within the Snee Farm and Stoney Creek subdivisions, and would encourage the NCDOT and NC Turnpike Authority to consider options that would minimize the impacts to the human environment in the Snee Farm and Stoney Creek communities.

NOW THEREFORE, be it resolved that the Brunswick County Commissioners hereby requests the NCDOT and NC Turnpike Authority explore all practical alternatives to minimize the impacts of the Cape Fear Skyway on the Snee Farm and Stoney Creek subdivisions.

This the 5th day of September, 2006.

s/David R. Sandifer, Chair

Brunswick County Commissioners

Attest:

s/Deborah S. (Debby) Gore, Clerk to the Board, CMC

D. NCACC Voting Delegate (Added under Adjustments to the Agenda)

Staff requests approval to appoint Commissioner William Sue as Voting Delegate for the 2006 North Carolina Association of County Commissioners Annual Conference.

VI. PRESENTATION

1. Proclamation – National Alcohol and Drug Addiction Recovery Month September 2006

Commissioner Sue moved to approve the National Alcohol and Drug Addiction Recovery Month of September 2006 Proclamation. The vote of approval was unanimous.

Chairman Sandifer read and presented the Proclamation to Jane McDonald, Coastal Horizons and Sergeant Turner from the Brunswick County Sheriff's Office who stood in for Sheriff Hewett who was unable to attend the meeting.

2. Update and Review of County Exposition Center (Martha Warner and Cynthia Tart)

Martha Warner and Cynthia Tart thanked the Board for continued support with acquiring 834 acres of land on Highway 211 and dedicating a portion of this land for the Expo Center. Ms. Warner read the Vision and Mission Statement for the Proposed named Coastal Events Center and announced that a ribbon cutting would be held on September 16, 2006 at 9:00 a.m. The Board was informed of the progress and future plans of the Project and updated of the site visits, community involvement, marketing and potential funding sources.

3. Tourism Development Authority (Kemp Causey, Mitzi York)

Kemp Causey, TDA Chairman and Mitzi York, Chamber of Commerce Director thanked the Board for support and asked that the Board approve the new TDA Board Qualification Recommendations and to allow the new slogan "North Carolina Brunswick Islands" to be used on the County website and correspondence.

Commissioner Sue moved to approve the recommended Qualification Recommendations and to allow "North Carolina Brunswick Islands" to be included on the County website and correspondence. The vote of approval was unanimous.

4. Appointment of Deputy Tax Collector and Assistant Tax Assessor (Tom Bagby, Ken Perry)

Chairman Sandifer gave the Oath of Office to the Deputy Tax Collector, Heather Hardee and the Assistant Tax Assessor, Thomas Davis.

VII. PUBLIC HEARING

1. Community Development Block Grant Funding (Marty Lawing)

CALL TO ORDER

Chairman Sandifer called the Public Hearing to order at 7:07 p.m. and announced that the purpose of the Hearing was to receive public comment regarding Community Development Block Grant Funding.

Marty Lawing, County Manager explained that the first of two required public hearings for applicants for Small Cities Community Development Block Grant-Economic Development Funds

was held on August 21, 2006. The second hearing is scheduled for September 5, 2006. Notice of the second hearing was published in the August 23rd edition of the Brunswick Beacon and State Port Pilot. The CDBG program permits a wide range of economic and community activities. Brunswick County intends to apply for a \$750,000 CDBG-ED grant to be used in conjunction with other potential grants and local funding to construct approximately 17,000 l.f. of 8" sewer PVC force main and a lift station and approximately 17,000 l.f. of 12" and 360 l.f. of 6" PVC water main to serve a business/industrial park on a portion of a site recently acquired by the County on NC Highway 211 North.

The improvement would initially serve Stock Building Supply and Ferguson Enterprises, Inc. The application will identify Stock's roof truss manufacturing facility as the primary beneficiary with 75 jobs being created within 24 months of the grant award and 60 percent of these jobs being filled by low and moderate income individuals.

PUBLIC COMMENTS

Chairman Sandifer asked if there were any members of the audience who wished to address the Board regarding the CDBG Funding. There were no comments from the audience.

ADJOURN

Commissioner Norris moved to adjourn the Public Hearing at 7:10 p.m. The vote of approval was unanimous.

PUBLIC HEARING

2. Planning – Proposed Map Amendment Z-06-10 (Leslie Bell)

CALL TO ORDER

Chairman Sandifer called the Public Hearing to order at 7:10 p.m. and announced that the purpose of the Hearing was to receive comments regarding the Proposed Map Amendment Z-06-10.

Leslie Bell, Planning Director explained the following:

Item 1 (Map Amendment Z-515 – Albert Miller)

Item 1 is a map amendment initiated by the property owner. This change from R-7500 (Low Density Residential) to C-LD (Commercial Low Density) would allow for commercial use of Tax Parcel 2290000712 (Requested by the Applicant) and Tax Parcels 2290000710 and a portion of 2290000101 (Added by Staff). These parcels are located at 5564 Beach Drive, Shallotte, N.C.

These parcels total 25.495 acres.

Planning Board recommends approval for Tax Parcels 2290000712, 2290000710, and a portion of 2290000101 (unanimous 7 to 0).

Item 2 (Map Amendment Z-516 – Laurence J. Inman) [AMENDED]

Item 2 is a map amendment initiated by the property owner. This change from C-LD (Commercial Low Density) to MR-3200 (Multi-family Residential) would allow for multi-family use of Tax Parcels 230OA01801, 230OA022, 230OA023 (Requested by the Petitioner). These parcels are located at 1782, 1783, 1787, Village Point Road (SR 1145), Shallotte NC.

These parcels total .90 acres.

Planning Board recommends approval for Tax Parcels 230OA01801, 230OA022, and 230OA023 (unanimous 7 to 0). Tax Parcels 230OA21 and 230OA019 are excluded.

Item 3 (Map Amendment Z-517 – Michael P. Kolcun)

Item 3 is a map amendment initiated by the property owner. This change from R-6000 (Medium Density Residential) to C-LD (Commercial Low Density) would allow for commercial use of Tax Parcel 227MA046, located at 7164 Old Georgetown Road (SR 1163), Ocean Isle Beach NC.

This parcel totals .2197 acres.

Planning Board recommends denial for Tax Parcel 227MA046 (unanimous 7 to 0).

Commissioner Sue moved to recuse Vice-Chairman Norris from Item 4. The vote of approval was unanimous.

Item 4 (Map Amendment Z-519 – TMJ Ocean Isle Partners, LLC/Tim Moon) [AMENDED]

Item 4 is a map amendment initiated by the property owner. This change from R-6000 (Medium Density Residential) to C-LD (Commercial Low Density) would allow for commercial use of Tax Parcels 243PH001, 243PH002, 243PH003, 243PH004, 243PH005, 243PI028, 243PI029. These parcels are located at 1970, 1980, 1990, 1994, 2000, 2001, 2004, and 2005 Sommersett Road (SR 1161).

These parcels total 3.401 acres.

Planning Board recommends approval for Tax Parcels 243PH001, 243PH002, 243PH003, 243PH004, 243PH005, 243PI028, and 243PI029 (4 to 3 with Mr. Evans, Mr. Loyack and Dr. Flythe opposing). Tax Parcel 257AB01101 is excluded.

Item 5 (Map Amendment Z-520 – William Ambrose)

Item 5 is a map amendment initiated by the property owner. This change from R-7500 (Low Density Residential) to C-LD (Commercial Low Density) would allow for commercial use of the rear portion of Tax Parcel 21000024, located at 3, 15, 21, and 55 Pea Landing Road NW, Ash NC.

This tract totals 6.07 acres, of which 4.14 acres are requested for rezoning.

Planning Board recommends approval for Tax Parcel 21000024 (unanimous 7 to 0).

PUBLIC COMMENTS

Chairman Sandifer asked if there was anyone in the audience who wished to address the Board regarding the Proposed amendment. The following citizens addressed the Board:

1. Michael Kolcun, owner of the parcel in Item 3 stated that the rezoning is requested to allow for the best use of the property as the adjoining lot is zoned commercial and a grocery store is located across the street.
2. Harold Katzenberger, property owner in Sea Village Subdivision, opposes the rezoning stating that this is part of Sea Village and does not want commercial development in the Subdivision.
3. Alice Gooden spoke in behalf of her husband and neighbors stating that they oppose the rezoning requested in Item 4. Ms. Gooden presented photographs of the subject property and adjacent properties and voiced concerns with an increase in traffic in the residential area associated with the proposed commercial facility and the blocking of their view of the waterway.
4. Virginia Ward voiced opposition to Item 4 stating that she felt the developer misled the Planning Board regarding the reconstruction of a building at the marina.
5. Tim Moon, Developer, spoke in support of Item 4 stating that he intends to improve the marina and maintain it for public use in replacing old technology and old buildings that cannot

accommodate the new boats now being manufactured. Mr. Moon stated that he felt there were miscommunications between property owners.

ADJOURN

Commissioner Sue moved to adjourn the Public Hearing at 7:33 p.m. The vote of approval was unanimous.

VIII. ADMINISTRATIVE REPORT

1. Planning – Map Amendment Z-06-10 - (Leslie Bell)

Staff recommends that the Board of Commissioners approve Second Reading and adoption of Map Amendment Z-06-10.

Commissioner Sue moved to recuse Vice-Chairman Norris from Item 4 (Z-519). The vote of approval was unanimous.

Commissioner Sue moved to approve Items 1, 2, 3, and 5 as recommended by the Planning Board as they are consistent with findings as set out in the attachments contained in the packet. The vote of approval was unanimous.

There was lengthy discussion regarding Item 4.

Commissioner Moore moved to approve Item 4. The vote of approval was 2 ayes (Moore and Sue) 2 nays (Rabon and Sandifer).

2. Planning – Map Amendment Z-06-11 - (Leslie Bell)

Staff recommends that the Board of Commissioners set a Public Hearing date of October 2, 2006 at 6:30 p.m. for Map Amendment Z-06-11.

Leslie Bell, Planning Director explained the following:

Item 1 (Map Amendment Z-518 – Lynn J. Grissett)

Item 1 is a map amendment initiated by the property owner. This change from RU (Rural) to C-LD (Commercial Low Density) would allow for commercial use of Tax Parcel 16700060 located at 1349 and 1373 Ocean Highway West (US 17), Supply, NC.

This parcel totals 15.724 acres.

Planning Board recommends approve for Tax Parcel 16700060 (6 to 0 with Mrs. Gilbert being absent from the meeting).

Item 2 (Map Amendment Z-521 – Pete Avery)

Item 2 is a map amendment initiated by the property owner. This change from C-M (Commercial Manufacturing) to C-LD (Commercial Low Density) would allow for light commercial use of Tax Parcels 20400027 and 2040002701. These parcels are located at 4330, 4332 and 4338 Southport-Supply Road SE (NC 211), Southport NC.

These parcels total 3.928 acres. Planning Board recommends approval for Tax Parcels 20400027 and 2040002701 (6 to 0 with Mrs. Gilbert being absent from the meeting).

Item 3 (Map Amendment Z-522 – Cape Fear Realty)

Item 3 is a map amendment initiated by the property owner. This change from C-M (Commercial Manufacturing) to C-LD (Commercial Low Density) would allow for light commercial use of Tax Parcels 1850001001 and 1850001002, located at 1597 and 1599 Southport-Supply Road SE (NC 211), Bolivia NC.

This parcel totals 2.002 acres.

Planning Board recommends approval for Tax Parcels 1850001002 and 1850001002 (6 to 0 with Mrs. Gilbert being absent from the meeting).

Item 4 (Map Amendment Z-523 – Jay Houston, P.E.)

Item 4 is a map amendment initiated by the property owner. This change from Rural (RU) to SBR-6000 (Site Built Residential) would allow for site built homes for Tax Parcels 19300023, 20900001, 2090000101, 2090000103 and 2090000105; a portion of Tax Parcel 19300024 (Requested by the Petitioner) and Tax Parcels 1930002302, 2090000104, 2090000102, 20900003, 20900004, 20900005, 20900066 and 20900067 (Added by Staff). Beginning at the east quadrant of Ash-Little River Road NW (SR 1300) and No. 5 School Road NW (SR 1305) and extending approximately 3081.87 feet northeast along Ash-Little River Road NW (SR 1300); 476.33 feet southeast; 546.37 feet north; 701.72 feet east; 1804.90 feet northeast; 1266.82 feet southeast; 1005.84 feet east; 1489.12 feet southwest; 600.28 feet northwest; 1378.43 feet north; 1714.10 feet southwest; 2201.75 feet south; 1097.20 feet southwest fronting No. 5 School Road NW (SR 1305); and 2447.23 feet west back to the point of origin.

These parcels total 220.37 acres.

Planning Board recommends approval for Tax Parcels 19300023, 20900001, 2090000101, 2090000103, and 2090000105; a portion of Tax Parcel 19300024, 1930002302, 2090000104, 2090000102, 20900003, 20900004, 20900005, 20900066 and 20900067 (6 to 0 with Mrs. Gilbert being absent from the meeting).

Item 5 (Map Amendment Z-525 – HadenStanziale)

Item 5 is a map amendment initiated by the property owner. This change from RU (Rural) to R-6000 (Medium Density Residential) would allow for residential use of Tax Parcels 2010001302 and 1850000603. Tax Parcel 2010001302 is located at 2117 Sunset Harbor Road SE (SR 1112). Tax Parcel 1850000603 begins approximately 3269.64 feet southwest from the west quadrant of Southport-Supply Road (NC 211) and Deer Trot Road and extends 628.59 feet northwest; 376.85 feet south; 609.88 feet southeast; 378.47 feet northeast; and 127.98 feet northwest back to the point of origin.

These parcels total 16.557 acres.

Planning Board recommends approval for Tax Parcels 2010001302 and 1850000603 (6 to 0 with Mrs. Gilbert being absent from the meeting).

Commissioner Moore moved to approve First Reading and set a Public Hearing for October 2, 2006 at 6:30 p.m. for Proposed Map Amendment Z-06-11. The vote of approval was unanimous.

3. Planning – Zoning Ordinance Text Amendment Z-06-12 - (Leslie Bell)

Staff recommends that the Board of Commissioners set a Public Hearing date of October 2, 2006 at 6:30 p.m. for Zoning Ordinance Text Amendment Z-06-12.

Leslie Bell, Planning Director explained the following:

Item 1 is a text amendment to Article 3. Decision-Making and Administrative Bodies, Section 3.2. Planning Board.

The proposed change would amend the criteria used by the Planning Board for making recommendations on rezoning. The proposed text amendments are in accordance with the proposed Unified Development Ordinance (UDO) regarding the Planning Board's recommendations on rezoning. He stated that the four (4) proposed text amendments also are consistent with the new Planning Legislation passed by the General Assembly effective 01-Jan-06. This also provides an opportunity to apply this criteria prior to UDO adoption.

Planning Board recommends approval (6 to 0 with Mrs. Gilbert being absent from the meeting).

Item 2 is a text amendment to Article 4. Schedule of District Regulations, Section 4.8. C-M (Commercial Manufacturing).

The proposed change would amend the Permitted Principal Uses and Structures section to include Contractors Office or Storage and Professional Offices/Studios as permitted uses and renumber existing permitted uses accordingly Planning Board recommends approval (6 to 0 with Mrs. Gilbert being absent from the meeting).

Commissioner Sue moved to approve First Reading and set a Public Hearing for October 2, 2006 at 6:30 p.m. for Proposed Zoning Ordinance Text Amendment Z-06-12. The vote of approval was unanimous.

4. Utilities – Carolina Shores Wastewater Treatment Plant Improvements - (*Jerry Pierce*)

Staff recommends that the Board of Commissioners award the contract for the construction of the Carolina Shores Wastewater Treatment Facilities Improvements project to Water & Waste Systems Construction, Inc. approve the associated Budget Amendment.

Jerry Pierce, Utilities Director explained that in order to alleviate deficiencies caused by ever-increasing sewer flows into the Carolina Shores Waste Water Treatment Facility, the County had HDR Engineering plan and design several improvements to the existing facility. The facility has been plagued by overflows from excessive peak flows without any means to dampen these peaks. Planned improvements have been designed to alleviate these issues. The general scope of work under this construction contract includes the following:

- New Headworks
- New Equalization Basin, Aeration System, & Equalization Pumping System
- Piping (Influent, WAS, Chlorine Bypass)
- Scum Pumping Stations

The construction project was advertised and bids were received from the following contractors on August 24, 2006:

- State Utility Contractors, Inc.
- Seaside Utilities, Inc.
- T.A. Loving Company
- Turner Murphy Company, Inc.
- Water & Waste Systems Construction, Inc.

Using State construction guidelines, the Utilities Department has reviewed the bid proposals and recommends the project be awarded to the lowest, responsible bidder, Water & Waste Systems Construction, Inc., in the amount of \$1,039,000. It should be noted that Seaside Utilities, Inc. asked to withdraw their bid due to a mathematical error.

Vice-Chairman Norris moved to Award the Contract for the construction of the Carolina Shores Wastewater Treatment Facilities Improvements project to Water & Waste Systems Construction, Inc. and approve the Associated Budget Amendment and Capital Project Ordinance. The vote of approval was unanimous.

5. Finance – Automated Time-Keeping System - (*Ann Hardy*)

Staff recommends that the Board of Commissioners approve the professional services engagement of Kronos for an automated time-keeping system.

Ann Hardy, Fiscal Operations Director explained that Brunswick County included funds for an automated employee time-keeping system in the 2006-2007 budget after recommendations from the finance and human resources officers. The recommendations for a time-keeping system was made to insure compliance with the Fair Labor Standards Act, protect county resources and insure fairness to county employees. In addition, an automated solution was desired to assist county employees in developing an effective and efficient solution for managing payroll and leave of county employees. The county received proposals from ADP and Kronos to provide a time-keeping solution and professional services to the county. A committee consisting of the County Manager, Assistant County Manager, Finance Officer, Human Resources Officer, Director of MIS and various other staff reviewed presentations and proposals of both vendors. The committee selected Kronos based on knowledge of the company's staff, cost and a review of customer references. The proposal includes installing biometric time-keeping devices for employees to use to record their start and stop times for work. The time-keeping devices allow employees to review leave balances and request leave from their supervisor electronically. Supervisors will receive email notification of an employee's leave request and may approve or deny leave through their computer. Exempt staff may use their computer to view leave information or request leave of their supervisor. Department management will be provided reporting tools to allow them to manager schedules and labor costs within their scope of supervision. Specifically management will be provided the necessary reporting and documentation for Family Medical Leave Reporting and Compliance, FEMA event documentation and reporting and Department of Social Services Cost Allocations by program (1571 reporting). Department approved payrolls will be electronically interfaced with the Bitech software to process the bi-weekly payroll eliminating manual data entry and the associated errors. The major advantages of the system are that it is more accurate than a manual time-keeping system, offers verification of actual hours to outside entities, and saves time in all departments in processing payroll.

Kronos offered the county a 24 month capital lease with no interest. The lease includes 2 servers to run the software, time-keeping software, 14 biometric time keeping devices, staff training on the operation and maintenance of the administration of the software and hardware, 2 years of hardware and software support for a total cost of \$175,569.50. The first payment of \$4,700 is to be paid upon execution of the lease, payments 2-7 for \$4,700 each are to begin in January 2007 thru June 2007. Payments 8-24 from July 2007 thru completion of the lease are \$8,404.09. The company has agreed that the 3rd year of maintenance will be provided at the same cost per year as the initial lease. Maintenance costs begin upon the execution of the agreement anticipated to be September 2006.

Kronos offered a fixed price implementation not to exceed \$67,675. The County is to be allotted 272 hours of application consultation at a cost of \$175 per hour totaling \$47,775. The County is to be allotted 68 hours of project management at a cost of \$175 per hour totaling \$11,900. The County is to be allotted 40 hours of specialized application consulting at a cost of \$200 per hour totaling \$8,000. If fewer hours are required to implement the system, the county would pay only for what is used. Charges can only be increased upon the execution of an approved change order by the county for an increase in the scope of the project. Professional fees are paid monthly based on services performed to date.

The implementation of a time-keeping solution for an organization the size and complexity of the county requires substantial staff resources and knowledge. After discussions with staff, Kronos representatives and other entities utilizing a time-keeping solution staff recommends the county engage HCG, Inc. to serve as the county's project manager on the implementation. The estimated

hours needed are 220 at a rate of \$115 per hour totaling a maximum of \$25,300. Professional fees are paid monthly based on services performed to date.

The project timeline is anticipated to begin in September and conclude within 10-12 months. Funds of \$142,000 are included in the 2006-2007 for the time-keeping project. It is anticipated that the total cost of the project including travel and contingency will approach \$285,000. The county will need to include approximately \$143,000 of additional funds in the 2007-2008 budget to meet the lease commitments.

Commissioner Sue moved to approve the county to engage Kronos and HCG for a time-keeping solution and execute the Kronos Lease Schedule Master Lease Agreement, Addendum to Lease Schedule, Kronos Professional Services Engagement Estimate, Kronos Order Form, Kronos Sales Software License and Services Agreement, and the HCG, Inc. Project Management Estimate and to direct the county manager to include \$143,000 in the 2008 budget recommendation for the time-keeping solution. The vote of approval was unanimous.

6. Finance – URS Sales Tax Reallocation Audit and Utility Billing Audit - (Ann Hardy)

Staff recommends that the Board of Commissioners approve an agreement with URS for Sales Tax Reallocation Audit and Utility Billing Audit.

Ann Hardy, Fiscal Operations Director explained that Brunswick County received a proposal from URS to conduct a sales tax reallocation audit and a utility billing audit on a contingent fee basis. URS is an S-Corp with 15 years of experience of providing cost reduction services to local governments in NC, SC, TN and VA. URS has worked with over 130 city and county governments since 1991 and reports to have saved over \$5 million for their client governments.

Sales Tax Reallocation Audit

As of January 1, 2002, the sales tax law changed to a destination distribution thereby changing the review process to vendor monitoring requiring significant expertise and effort in insuring the proper sales tax allocation for the County. The proposed scope of services for the sales tax audit is to audit refund claims for fiscal years ending June 2001 thru June 2006. The consultants propose to request of the NC Department of Revenue a list of every organization in the county claiming over \$1,000 in sales tax refunds. The consultants propose to serve as the county's agent and contact not-for profits to review the refund claims, tax filings and vendor files. In addition, they propose to review the same for Brunswick County. The consultants propose to conduct the review to determine if there are tax reallocations and other tax refunds due the County and file necessary paperwork to secure the refunds for the County and represent the county before any vendor or agency for refund verification purposes. URS proposes to conduct their duties with no disruption in operations of the county and the not-for-profits by using methodology to collect the needed claimant records electronically making the audit process less intrusive for claimants in the county. They propose to utilize a proprietary database of non-compliant vendors which they believe will maximize the sales tax reallocation for the County.

Telecom and Energy Audit

The consultant proposes to review telecommunication and energy bills for billing errors and review charges and usage to identify cost-saving recommendations. The County is under no obligation to implement any recommendations. Charges may only be assessed if a recommendation is agreed to, implemented, and savings are verified to the satisfaction of the County. URS proposes to analyze telephone and energy bills and records to include seeking refunds and credits and recommending a cost savings plan by utilizing proprietary techniques. The consultants propose issuing a final report to document their findings and identify the refunds

and recommendations. Their proposed work will require minimal assistance from County staff and will be conducted off-site. The company anticipates 6 months to complete the study and report.

URS's proposed pricing structure is fees of 25% for the sales tax reallocation audit reduced to 20% if the County chooses to also conduct the Telecom and Energy Bill audit. The proposed pricing structure for the Telecom and Energy Bill audit is a fee of 45% or 40% if the County chooses to also conduct the Sales Tax reallocation audit. The sales tax reallocation fees are based on additional tax revenues recovered or reallocated for the County as a result of the audit. The telecom and energy bill audit fees are applied to credits and refunds and on-going savings resulting from the audit for a 24 month period with the County having no obligation to accept or pay for any recommendation not accepted.

Staff recommends that the County engage URS to conduct both a sales tax reallocation audit and a telecom and energy audit for the proposed fees of 20% and 40%.

Commissioner Moore moved to approve an Agreement with URS for Sales Tax Reallocation Audit and Utility Billing Audit. The vote of approval was unanimous.

7. Administration Building Project – Agreement Amendment - (*Steve Stone*)

Staff recommends that the Board of Commissioners approve an amendment to our professional services agreement with Hemphill Associates for the Administration Building Project.

Steve Stone, Assistant County Manager explained that the original electrical engineering design called for emergency power only for critical services in the new building. Given the nature of our operation and the potential for extended electrical outages, we requested that the generator capacity be sufficient to maintain full operation of the building. The electrical engineering firm on the project advised Hemphill Associates that the additional cost to design full power backup would be \$1,430. Hemphill requests that we increase the architectural services contract by the same amount.

Commissioner Sue moved to approve an Amendment to the Professional Services Agreement with Hemphill Associates for the Administration Building Project. The vote of approval was unanimous.

8. CDBG Grant Funding – Hwy 211 Business Park Project - (*Marty Lawing*)

Staff recommends that the Board of Commissioners adopt resolution authorizing formal application for Community Development Block Grant Funding for Highway 211 Business Park Project.

Marty Lawing, County Manager explained that Brunswick County intends to apply for a \$750,000 CDBG-ED grant to be used in conjunction with other potential grants and local funding to construct approximately 17,000 l.f. of 8" sewer PVC force main and a lift station and approximately 17,000 l.f. of 12" and 360 l.f. of 6" PVC water main to serve a business/industrial park on a portion of a site recently acquired by the County on NC Highway 211 North.

The improvement would initially serve Stock Building Supply and Ferguson Enterprises, Inc. The County's minimum local match will be \$306,082 depending on the outcome of funding applications to other grant sources.

Commissioner Sue moved to Adopt the Resolution authorizing formal application for Community Development Block Grant Funding for Highway 211 Business Park Project. The vote of approval was unanimous.

**RESOLUTION FOR THE COUNTY OF BRUNSWICK
APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING FOR THE
HIGHWAY 211 BUSINESS PARK WATER AND SEWER IMPROVEMENTS**

WHEREAS, the Brunswick County Board of Commissioner has previously indicated its desire to assist in economic development efforts within the County; and

WHEREAS, the Board of Commissioners has held two public hearings concerning the proposed application for Community Development Block Grant funding to benefit the Wolseley Companies (Stock Truss Manufacturing); and

WHEREAS, the Board of Commissioners wishes to pursue a formal application for Community Development Block Grant funding to benefit The Wolseley Companies (Stock Truss Manufacturing); and will invest monies in the amount of \$306,082 into the project as committed to in the application; and

WHEREAS, the Board of Commissioners certifies it will meet all federal regulatory and statutory requirements of the Small Cities Community Development Block Grant Program.

NOW, THEREFORE BE IT RESOLVED, by the Brunswick County Board of Commissioners that the County of Brunswick is authorized to submit a formal application to the North Carolina Department of Commerce for approval of a Community Development Block Grant for Economic Development to benefit the Wolseley Companies (Stock Truss Manufacturing).

This the 5th day of September, 2006.

s/David R. Sandifer, Chairman
Brunswick County Commissioners

Attest:

s/Deborah S. (Debby) Gore, Clerk to the Board, CMC

9. Surplus Property Declaration - (Marty Lawing)

Staff recommends that the Board of Commissioners declare the 13.77 acre tract on Highway 211 surplus property.

Marty Lawing, County Manager explained that Brunswick County owns a 13.77-acre parcel of land located on Highway 211 (Parcel # 20400021) that is currently not used by the county and there are no future anticipated county or public uses for the property. The County has entered into a 99-year ground lease with ATMC to construct a 300' communications tower. The description of the property is as follows:

Being all of Tract 22, according to a plat of survey for Morehead Farms, Inc. by Thomas W. Morgan, R.L.S., dated June 7, 1989, and recorded in Map Cabinet U at Pages 9 & 10 of the Brunswick County Registry, said tract having the metes and bounds and location as shown on said plat.

Commissioner Rabon moved to approve the recommendations of the County Manager and declare the 13.77 acre tract across from St. James surplus property. The vote of approval was unanimous.

10. Town of Calabash Building Inspections Agreement (Marty Lawing)
(Added under Adjustments to the Agenda)

Marty Lawing, County Manager explained that the Town of Calabash provides the service of building permitting and inspections in the town limits and extraterritorial jurisdiction. The

position of building inspector is currently vacant. The Town Administrator has requested that the County assist the Town with comprehensive building inspection services during the interim period until the building inspector vacancy is filled. The County has assisted the Town previously in 2004 through a short-term agreement.

The proposed agreement differs from the 2004 agreement in that it states that the County will be responsible for issuing all permits and collecting all fees and charges associated with the issuance of building permits. In addition, the agreement calls for a \$45.00 inspection fee for all inspections for structures that have been previously permitted by the Town.

Commissioner Sue moved to approve the Building Inspections Services Agreement between the Town of Calabash and Brunswick County. The vote of approval was unanimous.

IX. COUNTY ATTORNEY'S REPORT

1. Closed Session 8:19 p.m.

Vice-Chairman Norris moved to enter Closed Session pursuant to NCGS 143-318.11 (a) (6) attorney/client privilege to discuss personnel issues. The vote of approval was unanimous.

Break The Chairman called a 10-minute break.

Reconvened 8:54 p.m.

Chairman Sandifer called the Open Session back to order and announced that no action was taken in Closed Session.

X. OTHER BUSINESS/INFORMAL DISCUSSION

There was no other business to discuss.

XI. ADJOURNMENT

Commissioner Sue moved to adjourn the Regular Meeting at 8:55 p.m. The vote of approval was unanimous.

David R. Sandifer, Chairman

Deborah (Debby) Gore, Clerk to the Board